

## Message Text

CONFIDENTIAL

PAGE 01 STATE 223904

47

ORIGIN EA-07

INFO OCT-01 SS-14 ISO-00 EB-03 L-02 INR-10 NSC-07 NSCE-00

CIAE-00 PRS-01 H-01 IO-03 SAM-01 SP-02 PM-03 DODE-00

SCI-03 AF-04 ARA-10 EUR-10 NEA-06 RSC-01 /089 R

DRAFTED BY EA/PHL:RTWILLNER:KAD

APPROVED BY EA/PHL:DCCUTHELL

EB/FSE:SWBOSWORTH

----- 081097

R 102117Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY MANILA

INFO USMISSION GENEVA

C O N F I D E N T I A L STATE 223904

LIMDIS

E.O. 11652:GDS

TAGS: ECON, ETRD, ENRG, RP

SUBJEC PETROLEUM: PHILIPPINES AND LDC VIEWS

REFS: MANILA 11911

1. DURING CALL ON FSE DIRECTOR BOSWORTH OCTOBER 8, BY  
PHILIPPINE AMBASSADOR TO GATT WILFREDO VEGA, FOLLOWING  
POINTS OF INTEREST PRESENTED:

A. BOSWORTH REVIEWED AD REFERENDUM AGREEMENT OF ENERGY  
COORDINATING GROUP, NOTED US VIEWS THAT CURRENT OIL PRICES  
TOO HIGH AND THAT COHESION OF MAJOR CONSUMERS ESSENTIAL FOR  
PRODUCTIVE DIALOGUE WITH PRODUCERS. ASKED ABOUT YAMANI  
CALL FOR SMALL CONFERENCE HE SAID USG NOT OPPOSED IN  
PRINCIPLE BUT NEEDS MORE INFORMATION ON PARTICIPANTS AND  
SUBJECT MATTER, AND STRESSED NEED FOR MEETING TO BE NON-  
POLITICAL. HE SAID U.S. OPPOSED INDEXING PROPOSALS WHICH  
WOULD LEGITIMIZE CURRENT HIGH PRICES.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 223904

B. VEGA CONFIRMED YAMANI HAD MENTIONED HIS CONFERENCE IDEA TO 77 BUT WITHOUT SPECIFICS. SAID GOP THINKS OIL PRICES "IF THEY CANNOT BE ROLLED BACK" SHOULD BE MAINTAINED WITHOUT FURTHER INCREASE. HE STRESSED THAT LDCS CANNOT SPEAK OUT ON OIL PRICES BECAUSE OIL PRODUCERS COULD THEN PICK THEM OFF ONE AT A TIME. HE THOUGHT THAT THEY COULD ONLY RALLY TOGETHER IN A CONFERENCE ON COMMODITIES IN GENERAL, WHERE DESPITE CONFLICTING INTERESTS THEY COULD BETTER EXPRESS THEIR VIEWS. AS TO USE OF THE GROUP OF 77 FOR THIS PURPOSE VEGA SAID IT WOULD HAVE TO BE ON AN "INTRA-GROUP" BASIS SINCE THE ASIAN GROUP THERE INCLUDES MOST OF THE OIL PRODUCERS, BUT HE THOUGHT THE 77 MIGHT BE MORE ECONOMICALLY AND LESS POLITICALLY MOTIVATED THAN THE UN. HE THOUGHT THAT INDIA AND BRAZIL AMONG THE LARGER LDCS MIGHT BE WILLING TO SPEAK OUT, BUT NOTED THAT A COUNTRY'S REAL POSITION COULD ONLY BE DETERMINED WHEN IT WAS PRESENTED IN THE OPEN.

C. VEGA SAID THE GOP WOULD LIKE TO HAVE AN OPEN DIALOGUE OF ALL INTERESTED COUNTRIES. BOSWORTH STRESSED THAT, WHILE WE REMAINED OPEN TO SUGGESTIONS FOR STRENGTHENING THE DIALOGUE WITH PRODUCERS, WE DO NOT BELIEVE THAT A LARGE PRODUCER-CONSUMER CONFERENCE WOULD BE PRODUCTIVE, AT LEAST AT THIS TIME. BOSWORTH SAID A COMPREHENSIVE FRAMEWORK OF CONSUMER COOPERATION REMAINS THE PRINCIPAL US OBJECTIVE. IN OUR VIEW, WITHOUT SUCH COOPERATION AND UNITY, THERE IS LITTLE PROSPECT OF RESOLVING THE OIL PRICE PROBLEM. BOSWORTH AGREED WITH VEGA THAT THE ECONOMICS OF LDC CONSUMERS ARE MOST VULNERABLE UNDER CURRENT PRICE LEVELS, BUT HE STATED THAT CONTINUATION OF THESE PRICES WILL ADVERSELY AFFECT ALL NATIONS, INCLUDING THE PRODUCERS, OVER THE LONG TERM. UNFORTUNATELY, HE SAID, THE PRODUCERS HAVE SHOWN LITTLE RECOGNITION OF THIS FACT UP TO NOW.  
INGERSOLL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LESS DEVELOPED COUNTRIES, PETROLEUM, POLICIES, CONSORTIUMS, PRICES, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 OCT 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE223904  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RTWILLNER:KAD  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740289-0767  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19741055/aaaabuvb.tel  
**Line Count:** 95  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** MANILA 11911  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 JUN 2002 by elyme>; APPROVED <17 MAR 2003 by elyme>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** C PETROLEUM: PHILIPPINES AND LDC VIEWS  
**TAGS:** ECON, ETRD, ENRG, RP, (VEGA, WILFREDO)  
**To:** MANILA  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005